

nms Holdings Corporation

Overview of Consolidated Financial Results for Fiscal Year Ending March 31, 2025

- Net sales increased YoY on the back of firm demand overall, mainly owing to the positive effects from the receipt of new orders and commencement of mass production. Sales increased despite the negative impact from production adjustments resulting from production cuts and changes in the sales strategies by customers, mainly related to the semiconductor and automotive segments.
- Operating income decreased due production cuts by customers in the HS Business, despite the full positive benefits from past cost restructuring and the measures to strengthen the business base. Ordinary income increased YoY, owing to foreign exchange gains (517 million yen) as the yen weakened.
- An extraordinary loss (244 million yen) was recognized for a series of expenses relating to investigation of the improper use of expenses by the former President and CEO (disclosed on October 22, 2024) by a special investigative committee. In addition to self-checks to detect incidents of fraud and ensure the appropriateness of accounting processes, we are also implementing measures to prevent recurrence and will continue to reform the corporate culture to re-earn the trust of all of our stakeholders.

(Million yen)	FYE Mar. 31, 2024 Results	FYE Mar. 31, 2025 Results					
							Main Points
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total	
Net sales	72,874	17,508	19,255	19,531	19,412	75,707	[Non-operating income/expenses] Non-operating income: ¥662 million (Up ¥27 million YoY) Non-operating expenses: ¥662 million (Down ¥290 million YoY) [Extraordinary income/losses] Extraordinary income: ¥65 million Extraordinary losses: ¥249 million
Operating income	1,888	400	487	109	653	1,650	
Ordinary income	1,570	764	561	(910)	1,235	1,650	
Profit attributable to owners of parent	737	562	327	(1,110)	850	630	
Net income per share (yen)	47.42	36.19	21.10	(71.47)	50.68	39.79	
EBITDA	3,311	765	858	484	1,057	3,165	

■ Financial Performance Highlights by Segment

(Million yen)		FYE Mar. 31, 2024 Results	FYE Mar. 31, 2025 Results						Main Points
			1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total	vs. FYE Mar. 31, 2023	
HS Business	Net sales	22,695	5,586	5,908	5,778	5,898	23,172	+2.1%	<p>Domestically, the HS Business pursued improvement in the cost-to-sales ratio, stricter management to maintain SG&A expenses at an appropriate level, and other measures to strengthen the business base. However, segment income declined, mainly due to the negative impact of production cuts by customers, mainly in related to the automotive and semiconductor segments.</p> <p>Overseas, costs incurred for the commencement of business with new customers put downward pressure on segment income, despite the growth in sales in China, Thailand, and Laos.</p>
	Segment Income	1,110	113	197	205	218	734	(376)	
EMS Business	Net sales	34,290	8,388	9,226	9,424	9,093	36,132	+5.4%	<p>Sales increased owing to firm demand as the location in Malaysia also saw growth in demand in addition to receipt of new orders and commencement of mass production at locations where strategic investments were made.</p> <p>The positive effects from productivity improvements and cost restructuring at each location also led to YoY growth in segment income.</p>
	Segment Income	575	332	75	40	230	679	+104	
PS Business	Net sales	15,888	3,533	4,120	4,328	4,420	16,402	+3.2%	<p>Demand remained at a high level throughout the fiscal year.</p> <p>Segment income increased as we made progress on our efforts to maintain stable production, mainly by improving production efficiency and expanding procurement sources for parts and materials, and implementing measures to increase segment income, despite the negative impact stemming mainly from production cuts and postponement of sales due to a changing business environment by customers.</p>
	Segment Income	785	114	385	229	391	1,120	+334	
Segment Eliminations	Segment Income	(582)	(160)	(171)	(365)	(186)	(884)	—	<p>Company-wide expenses attributable to the holding company</p> <p>* These expenses not allocated to the individual segments were due to the migration to a holding company structure and have thus been eliminated from segment profits.</p>
Total	Net sales	72,874	17,508	19,255	19,513	19,412	75,707	+3.9%	<p>HS Business: Human Resource Solution Business EMS Business: Electronics Manufacturing Service Business PS Business: Power Supply Business</p>
	Segment Income	1,888	400	487	109	653	1,650	(238)	

(For Reference) Financial Performance by Segment: HS Business

Net sales

¥23,172 million

Up 2.1% YoY

Segment Income

¥734 million

Down 33.9% YoY

[Business Entity]

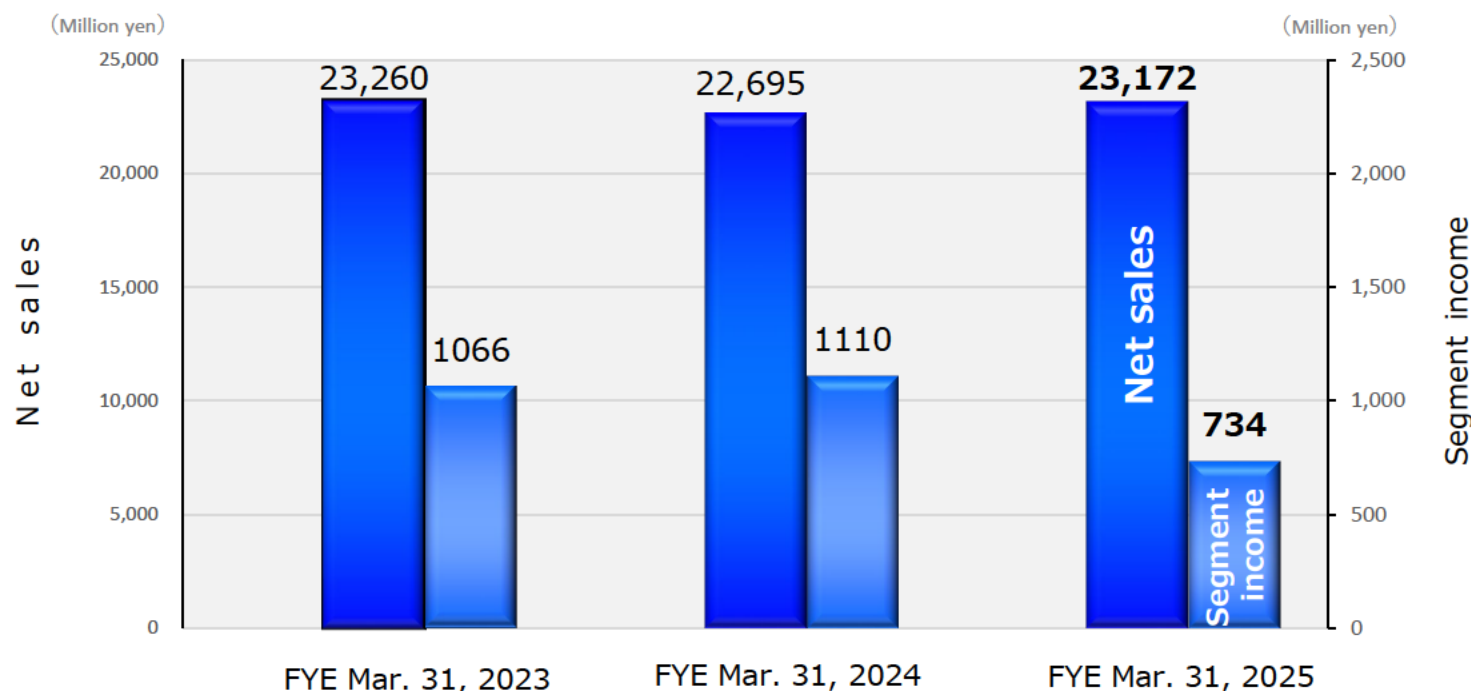
Nippon Manufacturing
Service Group

Japan

- Demand was firm overall, despite the negative impact of production cuts by some customers, mainly related to the automotive and semiconductor segments.
- We sowed seeds of business growth, mainly by opening technical centers to develop highly skilled engineers, in addition to improvement in the cost-to-sales ratio, stricter management to maintain SG&A expenses at an appropriate level, and other measures to strengthen the business base in existing business.

Overseas

Sales in China, Thailand, and Laos increased, in addition to the positive effects from strengthening the business base. However, costs were incurred for the commencement of business with new customers in Thailand.



(For Reference) Financial Performance by Segment: EMS Business

Net sales

¥36,132 million

Up 5.4% YoY

Segment Income

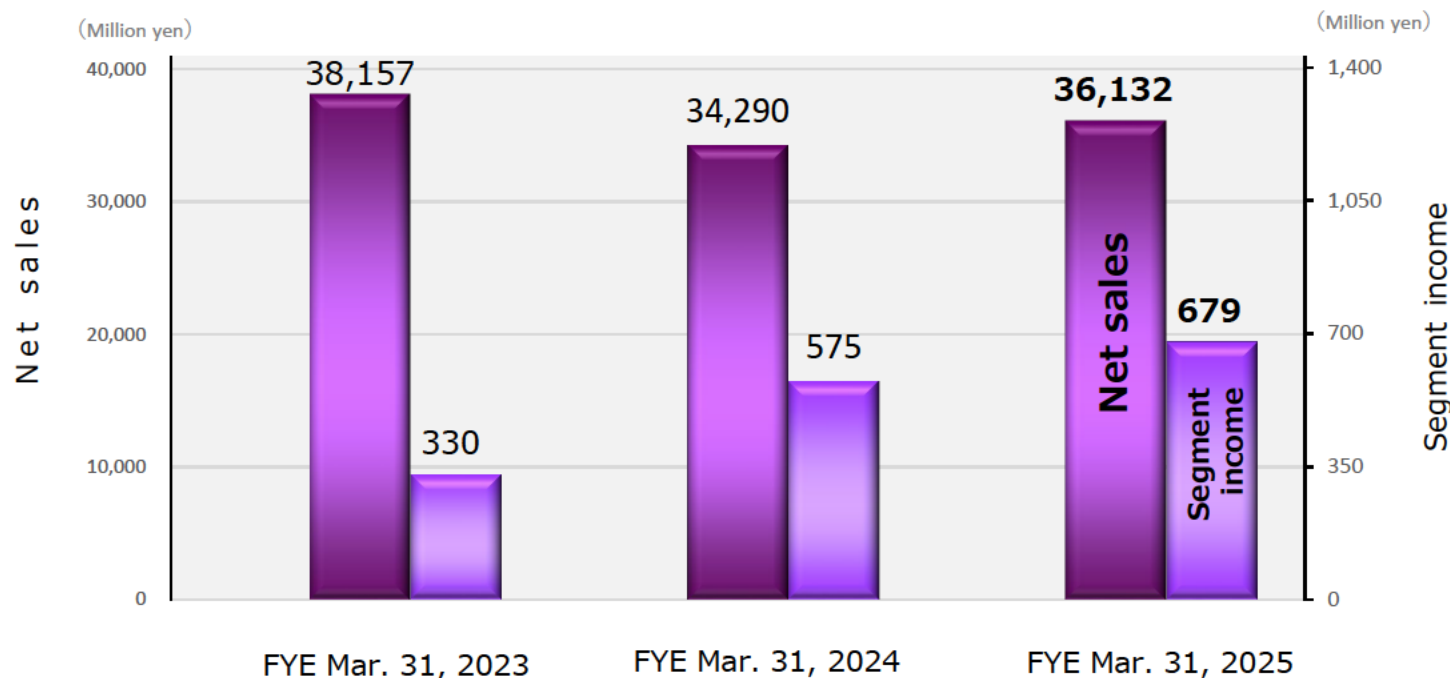
¥679 million

Up 18.2% YoY

[Business Entity]

TKR Group

- The EMS business has production operations in China, ASEAN countries, and North America. Despite the negative impact from production adjustments by customers as they changed sales strategies, demand was firm as demand increased at the location in Malaysia, mainly for air conditioner parts, in addition to the receipt of new orders and increase in production volume from commencement of mass production at strategic investment locations in Vietnam and North America.
- The positive effects from productivity improvements and cost restructuring at each location led to steady growth in segment income.
- The North America business is a strategic measure accompanying expansion of market domains. Inquiries from customers are also increasing so we are implementing measures to strengthen the business base to improve performance.



(For Reference) Financial Performance by Segment: PS Business

Net sales

¥16,402 million

Up 3.2% YoY

Segment Income

¥1,120 million

Up 42.6% YoY

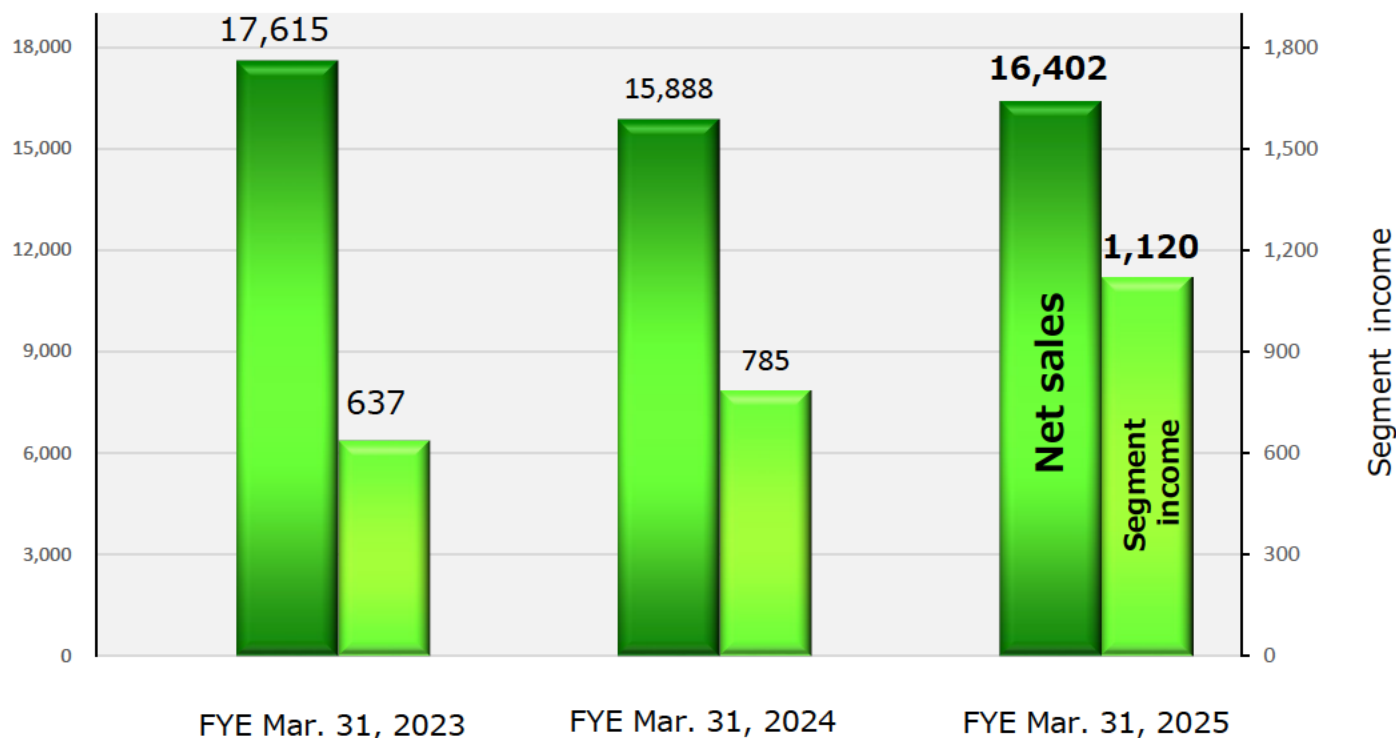
[Business Entity]

Power Supply
Technology Group

- Demand remained at a high level throughout the fiscal year, despite the negative impact resulting from inventory adjustments due to structural changes in the supply chain at the beginning of the period, production cuts by customers, and postponement of sales for some products due to a changing business environment.
- A rebound in orders for main types of equipment from the second quarter, mainly from an increase in sales in the domestic market, boosted segment profit. We will continue to steadily implement measures to expand procurement sources for parts and materials, and other measures to ensure stable production and boost net sales and segment income.

(Million yen)

(Million yen)



■ Financial Performance Highlights (B/S)

(Million yen)	FYE Mar. 31, 2024 (March 31, 2024)	FYE Mar. 31, 2025 (March 31, 2025)	Change
Current assets	26,178	26,077	(100)
Non-current assets	9,784	10,152	+368
Property, plant and equipment	7,981	8,354	+372
Intangible assets	605	551	(54)
Investments and other assets	1,197	1,247	+49
Deferred assets	13	—	(13)
Total assets	35,976	36,230	+254
Total liabilities	32,631	30,946	(1,684)
Current liabilities	29,219	27,947	(1,271)
Non-current liabilities	3,411	2,998	(413)
Total net assets	3,344	5,283	+1,939
Total liabilities and net assets	35,976	36,230	+254

■ Financial Performance Highlights (Cash Flows)

(Million yen)		FYE March 31, 2024	FYE March 31, 2025	Main Points
	Income before income taxes	1,526	1,466	
	Depreciation	1,423	1,514	
	Change in operating capital	3,137	1,187	Notes and accounts receivable-trade: (¥262million) Inventories: ¥1,694 million Notes and accounts payable-trade:(¥245million)
	Other	(1,314)	(2,797)	
	Net cash flow from operating activities	4,772	1,371	
	Purchase/sales of non-current assets	(1,003)	(942)	Gains on sale: ¥65 million Expenditures for acquisition: (¥ 1,007 million)
	Other	(48)	42	
	Net cash flow from investing activities	(1,052)	(899)	
	Free cash flow	3,720	471	
	Change in loans payable	(2,396)	90	
	Payment of dividends, etc.	(695)	(1,342)	Corporate bonds(¥2,000 million) Lease debt repayment: (¥617 million) Dividends paid: (¥108 million)
	Net cash flow from financing activities	(3,092)	(1,252)	
	Cash and cash equivalents at end of period	4,203	3,779	

■ Full-year Earnings and Dividend Forecasts for Fiscal Year Ending March 31, 2025

- As disclosed today in the release entitled Medium-Term Business Plan (FYE March 31, 2026 to FYE March 31, 2028), our forecasts for consolidated financial results for the fiscal year ending March 31, 2026 are net sales of 78,500 million yen, operating income of 2,100 million yen, ordinary income of 1,600 million yen, and profit attributable to owners of parent of 1,100 million yen.
- Although it is difficult to foresee the impact U.S. tariffs will have on the global economy, we anticipate a recovery in both sales and segment income in the Human Resource Solution (HS) Business. We also expect firm demand in the Electronics Manufacturing Service Business (EMS) Business and custom-built power supplies in the Power Supply (PS) Business. If the manufacturing industry increases production in the U.S., this will also presumably lead to opportunities for the EMS Business to capture demand. We will continue to keep a close eye on future developments.
- We plan to increase the dividend per share by 6 yen to 20 yen per share due to YoY growth in both net sales and profit.
The policy on shareholder return during the term of this Medium-Term Business Plan is to maintain a dividend payout ratio of around 30% and strive to increase dividends through growth in profit attributable to owners of parent, while reducing interest-bearing debt.

(Million yen)	FYE Mar. 31, 2024 Results	FYE Mar. 31, 2025 Results	FYE Mar. 31, 2026 Forecasts	vs. FYE Mar. 31, 2025
Net sales	72,874	75,707	78,500	3.7%
Operating income	1,888	1,650	2,100	27.3%
Ordinary income	1,570	1,650	1,600	(3.0%)
Profit attributable to owners of parent	737	630	1,100	74.6%
Dividends per share (Year-end dividends)	¥ 7	¥ 14	¥ 20	

nms Holdings Corporation

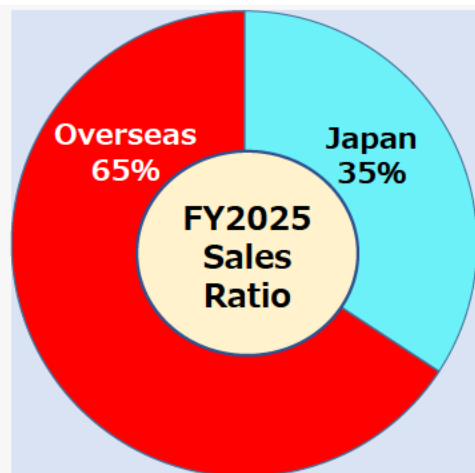
<https://www.n-ms.co.jp/english/>

Head Office	Tokyo Opera City Tower 45F, 3-20-2 Nishi-shinjuku, Shinjuku-ku, Tokyo 163-1445, Japan
Representative	Toshiko Kono, President and CEO
Capital	500,690,000 yen (as of March 31, 2025)
Stock Exchange Listings	Tokyo Securities Exchange (Standard market) Securities Code 2162
Number of group employees	12,608 people (as of March 31, 2025)
Business Activities	Integration of group businesses, management of operations, etc. in the Human Resource Solution (HS) Business, Electronics Manufacturing Service (EMS) Business, and Power Supply (PS) Business
Main Consolidated Subsidiaries	Nippon Manufacturing Service Corporation TKR Corporation Power Supply Technology Co., Ltd.

Group Company Total
25

(For Reference) nms Holdings Group Overseas Expansion

Integrate the unique characteristics of each business and capture new demand



China (Hong Kong)

HS

EMS

PS



Sino-Japan Stafftraining and Dispatch Co., Ltd.
Sino Manufacturing Service Corporation
Wuxi office Shenzhen office Shanghai office Dalian office
Dongguan office Guangzhou office Suzhou office
TKR Huanan Electronics Co., Ltd. (Dong Guan)
PST Huanan Electronics Co., Ltd. (Foshan)
Shenzhen office Suzhou office

HS

PS



TKR Hong Kong Limited
Power Supply Technology (Hong Kong) Co., Limited

Vietnam

HS

EMS



NMS International Resources Co., Ltd.
nms Vietnam Co., Ltd.
TKR Manufacturing Vietnam Co., Ltd.

U.S.A • Mexico

EMS



TKR USA, Inc.



TKR de México S.A. de C.V.

Thailand • Cambodia • Laos



nms(Thailand) Co., Ltd.
Power Supply Technology (Thailand) Co., Ltd.



Representative office of nms (Thailand) Co., Ltd.



NMS Lao Sole Co., Ltd.

Malaysia

EMS

PS



SHIMA Electronic Industry (Malaysia) Sdn. Bhd.
TKR Manufacturing (Malaysia) Sdn. Bhd.
TKR Precision (Malaysia) Sdn. Bhd.

Indonesia

HS



PT. NMS CONSULTING INDONESIA

Bringing Japanese Manufacturing Quality to the World

nms Holdings

HS

Human Resource Solution Business

Staff members who are highly knowledgeable about products, manufacturing processes and production sites are taking an active role in each region of Japan, China and ASEAN member countries.

Legal Entity



Nippon Manufacturing Service Corporation

Domestic bases 29
Overseas bases 19

EMS

Electronics Manufacturing Service Business

This business implements total solutions that help customers to improve their competitive strength.

Legal Entity



TKR Corporation

Domestic bases 3
Overseas bases 8

PS

Power Supply Business

This business offers improved solutions that are a step above the rest with our technical expertise as a dedicated power source manufacturer.

Legal Entity



Power Supply Technology Group

Domestic bases 2
Overseas bases 5

(For Reference) nms Holdings Group Business Structure

Main Consolidated Subsidiaries	Countries/ Regions Entered	Main Business Activities
Human Resource Solution Business (HS Business)		
<ul style="list-style-type: none"> • Nippon Manufacturing Service Corporation • nms Engineering Co., Ltd. • Japan Technical Education Organization (JATEO) • Sino-Japan Staff training and Dispatch Co., Ltd. • Sino Manufacturing Service Corporation • nms Vietnam Co., Ltd. • NMS International Resources Co., Ltd. • nms (Thailand) Co., Ltd. • PT. NMS CONSULTING INDONESIA • NMS Lao Sole Co., Ltd. etc. 	Japan China Vietnam Thailand Laos Indonesia Cambodia	General manufacturing services in Japan and overseas <ul style="list-style-type: none"> • Contract manufacturing business (contracting [on-premises contract manufacturing] and contract manufacturing staffing and recruitment services) • IT production engineering business (staffing and recruitment services) • IT and design development engineering business (staffing, recruitment services and contracting) • Technical service business (various repairs, rework and analysis / general customer services) • Logistics service business (distribution 3PL / flow surface processing / staffing) • Contract education/training after entering Japan for technical interns and business support for companies accepting interns concerning the technical intern training program for foreigners
Electronics Manufacturing Service Business (EMS Business)		
<ul style="list-style-type: none"> • TKR Corporation • TKR Huanan Electronics (Dongguan) Co., Ltd. • TKR Manufacturing (Malaysia) Sdn. Bhd. • TKR Precision (Malaysia) Sdn. Bhd. • TKR Manufacturing Vietnam Co., Ltd. • TKR USA, Inc. • TKR de México S.A. de C.V. etc. 	Japan China Malaysia Vietnam U.S.A. Mexico	<ul style="list-style-type: none"> • Electronics Manufacturing Service business (substrate mounting, substrate assembling, simple pressing, resin molding, assembly, etc.) • Labor-saving Device Manufacturing/Sales business • Energy-saving Device Manufacturing/Sales business • Business initiatives shared with the customer, and design, development and sales efforts related to such • Startup solutions business
Power Supply Business (PS Business)		
<ul style="list-style-type: none"> • Power Supply Technology Co., Ltd. • PST Huanan Electronics (Foshan) Co., Ltd. • Power Supply Technology (Thailand) Co., Ltd. • Power Supply Technology (Hong Kong) Co., Limited • SHIMA Electronic Industry (Malaysia) Sdn. Bhd. 	Japan China Hong Kong (China) Thailand Malaysia	<ul style="list-style-type: none"> • Custom power supply (switching and high-voltage): development, design, manufacturing, sales • Magnet roll: development, design, manufacturing, sales • A wide variety of transformers (switching/high-voltage transformers): development, design, manufacturing, sales

None of the information in these materials constitutes a solicitation to purchase or sell shares in nms Holdings Corporation.

The financial forecasts and other forward-looking statements in these materials are based on information available at the time these materials were produced as well as certain assumptions deemed reasonable by the company. Actual results may differ substantially due to various risks and uncertainties.

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